

AIR
CIA HISTORICAL REVIEW PROGRAM
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SECRET PBSUCCESS RYBAT

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Chief of Station, Guatemala []

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INFO: Chief, WHD

Operational

Situation Report by ESCROW/PBSUCCESS

1. The following information was furnished by source ESCROW on the night of 2 April 1954. According to [] ESCROW's information is the result of previous conversations with numerous contacts and of his own reasoning and analyzing the local situation. ESCROW told [] that much of the information set forth below is quite general in nature but he is attempting to obtain specific data including names, dates, addresses, etc.
2. When queried as to how and by what means the local Communists plan to meet any major emergency, ESCROW stated he knows of the existence of a mobilization plan which has been worked by the PGT and CGTG. Exact details are not available as yet but ESCROW stated that the PGT and the CGTG have each held several small maneuvers. Those maneuvers consisted of diverting practically all of the government's transportation facilities to previously designated pick-up points throughout the country for the purpose of picking up rank and file members who will there be moved by means of the government vehicles to any points of trouble. Arms and ammunition for those members reportedly will be issued from stocks of the Guardia Civil and the National Army. During maneuvers held thus far no arms were issued. Incidentally, ESCROW stated he has been told that the only arms known to be in the possession of the CGTG and the PGT are merely small side arms usually carried by certain of the leaders of each group. ESCROW was unable to furnish the location of those pick-up points throughout the country, from which points rank and file members will be picked up and taken to points of trouble.
3. ESCROW further stated there is an escape plan for top party officials of the PGT and the CGTG which has been tentatively decided upon. ESCROW could not furnish the exact names of those who will flee in an emergency but did state the individuals concerned have already been told what to do and where to go. Instructions have been given them concerning the arrangement of personal affairs. ESCROW stated he has been told the PGT and CGTG functionaries will probably seek exile in Mexico for, to all practical purposes, that country is best suited in that it offers employment, protection from political persecution and is readily accessible by air, rail or highway. ESCROW stated that in those cases where the political refugee may be in danger of extradition, capture or imprisonment it can be expected that efforts will be made by representatives of the Iron Curtain countries to assist them in traveling to those Iron Curtain countries.

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4. Escrow could add practically nothing concerning party guidance from outside the country. He did state that travel of party functionaries from behind the Iron Curtain is believed to provide the only actual policy direction of the party. According to Escrow, courier contact is maintained with Cuba, Mexico and Panama which provides an exchange of propaganda literature but nothing in the nature of party direction. Escrow could furnish no details concerning the courier system. The same source stated that some financial support for the party arrives from outside the country but, again, he was unable to furnish details. He believes that this support is being reduced gradually since for some time the party policy of self support has been established. According to him, the PGT operates three known business enterprises and enjoys government support to the tune of approximately \$4,000 monthly. There are several other financial operations under consideration at the present time by the PGT, but he was unable to furnish details as yet.
5. When asked how the PGT plans to quell a possible Army revolt, Escrow stated the same question is currently foremost in the minds of the PGT directors. According to him the PGT has devised no plan of coping with the Army except to follow a standard policy of cultivating, cajoling and catering politically to the Army. The PGT leaders do not trust the Army strong men and constantly fear a loosening of their indirect influence with the military. Their mainstay within the military is PAZ Tejada. Some control over the Army is gained through Arbenz himself, who very astutely meets the dissident figures and convincingly assures them that he (Arbenz) is not communist but must think first of the economic and social situation of Guatemala in its struggle against the imperialist United States.
6. Escrow stated he has been told repeatedly that the PGT has great trust in Arbenz' staying power and loyalty to the cause and currently the PGT is casting about for an electoral successor who will serve their ends as faithfully as Arbenz has. The PGT is experiencing difficulty in this respect, however, since their best man PAZ Tejada, does not have much political chance of succeeding, where as he does have a second qualification and that is being a military figure. Escrow stated that if it were possible, the PGT would attempt a constitutional reform (congressional coup) and reelect Arbenz. Source does not know of any party solution to an Arbenz failure.
7. When asked to describe the position Arevalo currently holds with the local communists, Escrow stated Arevalo has fallen out of

favor with the communists. Arevalo has been attacked officially and unofficially by local communist leaders who feel Arevalo exploited them to gain his own political ends and that while there was some compatibility in their doctrines Arevalo never gave the communists the opportunity to become as active and powerful as Arbenz has in his short period of administration. Arevalo will not be publicly severed from the party propaganda line because of the still-effective overlapping in their doctrines.

8. Source stated that Arevalo never received the applause that Arbenz has to date; that the party directors feel that Arevalo was a cunning politician who was perfectly capable of "using" the party line, whereas Arbenz is basically a military man and not particularly astute in politics. Arbenz is subject to persuasion, a prey to party logic and by now practically dominated by party personalities and doctrine. He and his wife are ardent students of Marxism while denying adherence to party doctrines.
9. Source stated that while there exists no written estimate of United States' capabilities and intentions, there are actually two estimates within the communist circles. One is in the communist propaganda line which accuses the United States of unilateral action (intervention) and of fomenting subversive movements and economic exploitation of the weak. The second is an intangible element which is the ever-present party feeling of crediting the United States with adequate political resources and popular support actually to endanger or threaten the communist position. This feeling, however, is considered absolutely taboo within the party and is not discussed. Escrow stated there is no high-level political strategem involving estimates of the United States' political actions or pressures.
10. We reiterate our previous comment to the effect that Escrow's comments set forth above are general in nature. He was asked those questions answered herein on a "cold" or unexpected basis. He had no time to check with his sources and answered the questions without preparation. At this time we should like to point out that we had no previous inkling that Headquarters was anything but pleased with Escrow's previous method of reporting and the topics covered in his reports. At the time Viavada arrived at this station the reporting officer was told that Viavada would maintain contact with Escrow but nothing was said to the effect that Escrow would change his method of reporting. The point we are trying to make is that if any oral instructions were given Givloch concerning either

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Vaivada or Escrow, those instructions went no further. We were given to understand that the Escrow project would remain after the PBSUCCESS project was finished and for that reason Escrow was not to be drawn too closely into the PBSUCCESS project.

11. We believe we know what is expected of Escrow, and we shall strive to get the utmost from him. Those generalities touched upon by him and set out above will have more specific comments within the immediate future.

Cyrus E. Burnette

6 April 1954

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